

Representative Jerome Zeringue  
Chairman



Representative Francis Thompson  
Vice Chairman

# Fiscal Year 2023 Executive Budget Review Public Service Commission

House Committee on Appropriations  
House Fiscal Division

*March 8, 2022*

Budget Analyst: David Lehman

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900 N. 3<sup>rd</sup> Street  
Baton Rouge, LA 70802  
[house.louisiana.gov/housefiscal/](https://house.louisiana.gov/housefiscal/)

All data and figures were obtained from the governor's Fiscal Year 2022-2023 Executive Budget and Supporting Documents provided by the Office of Planning and Budget within the Division of Administration along with House Bill 1 of the 2022 Regular Session, unless otherwise noted.

<https://www.doa.la.gov/doa/opb/budget-documents/>

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# BUDGET RECOMMENDATION FY 23

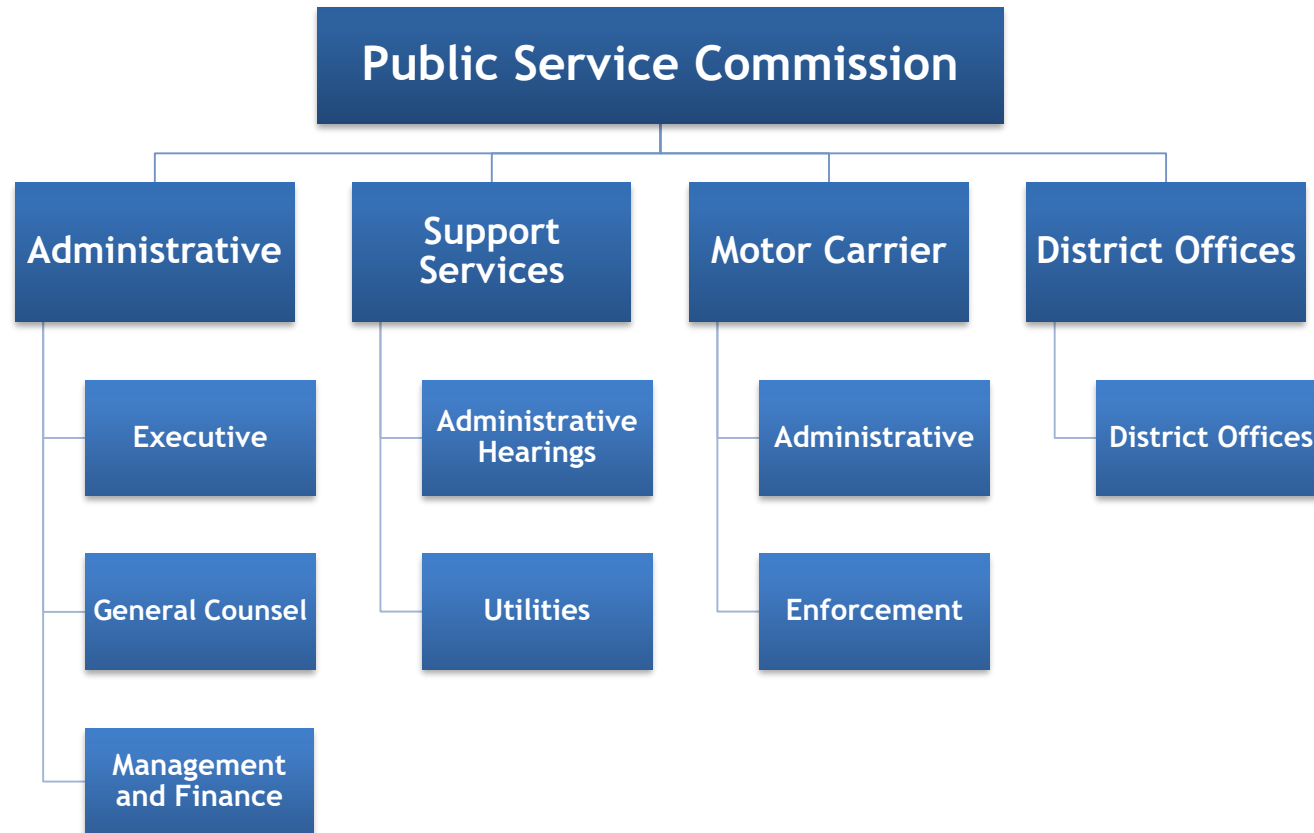
Total Recommended = \$10,501,315

## Means of Financing

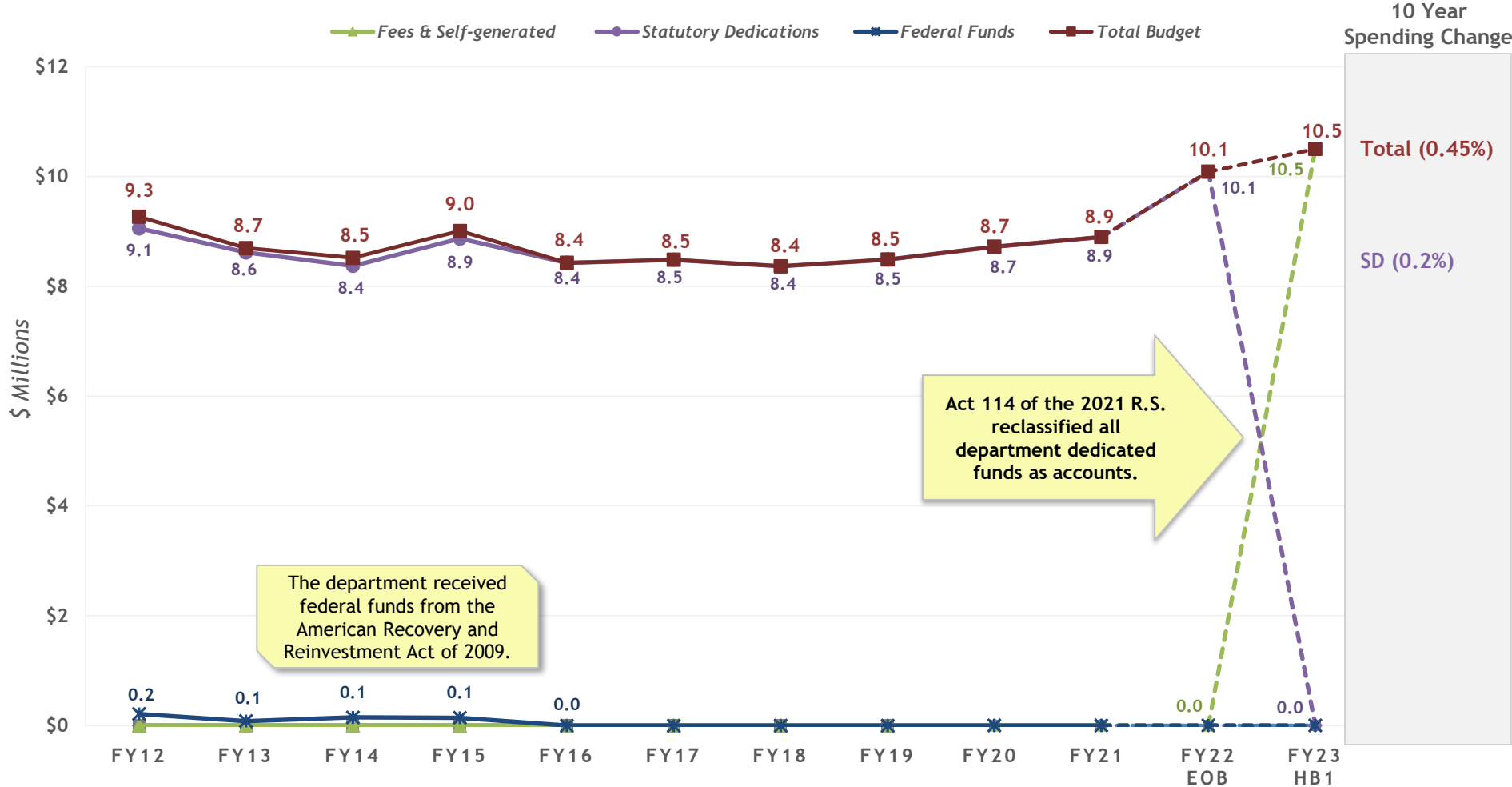
## Expenditure Categories



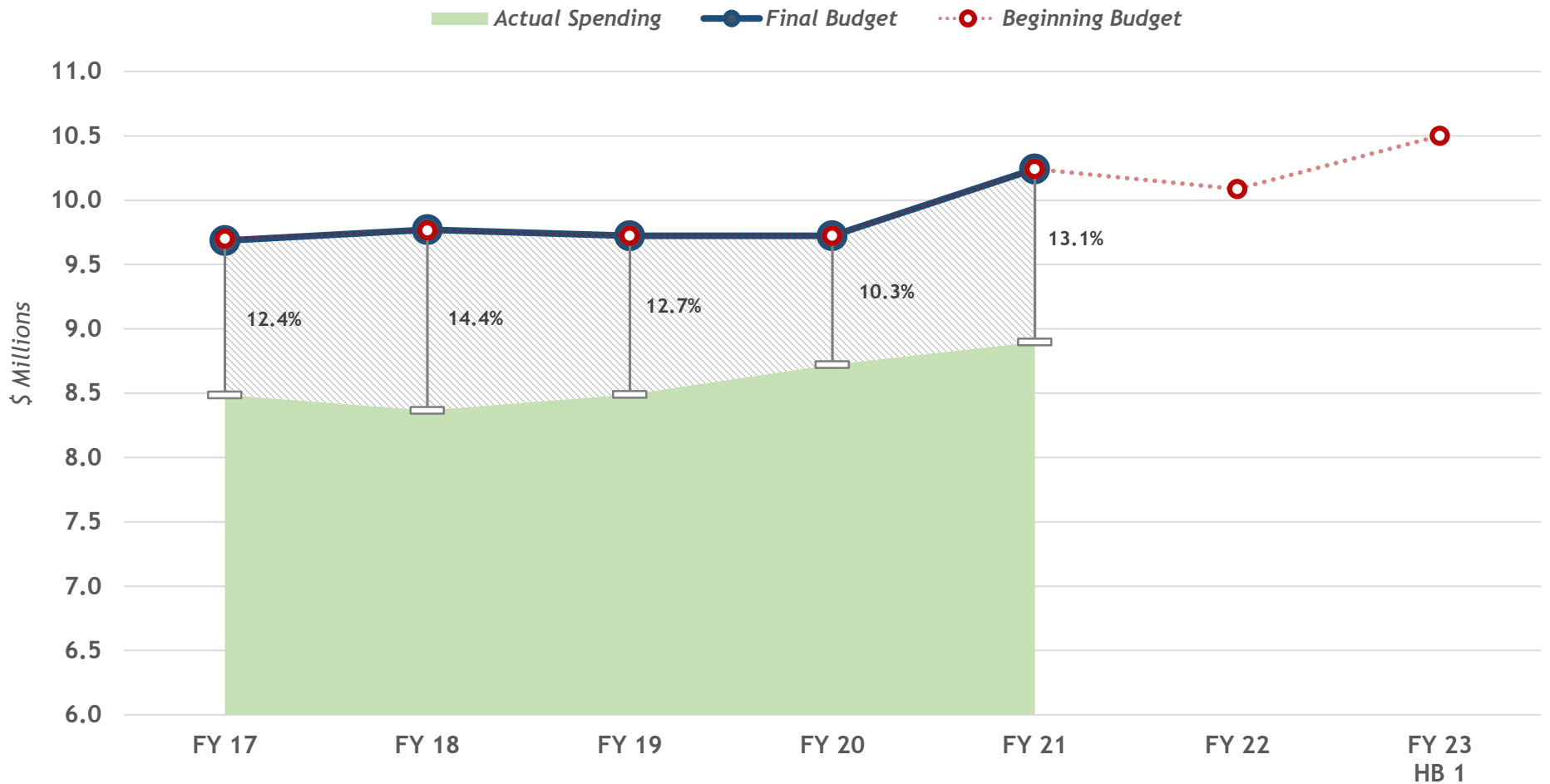
# DEPARTMENT ORGANIZATION



# HISTORICAL SPENDING



# HISTORICAL BUDGET



# PRIOR YEAR ACTUALS FY 21

Means of Finance	Final Budget (w/o FY22 carryfwd)	Amount Spent	Unspent Authority	Unspent Authority %	Unspent % by MOF
General Fund	\$ 0	\$ 0	\$ 0	0.0%	0.0%
Interagency Transfers	0	0	0	0.0%	0.0%
Self-generated	0	0	0	0.0%	0.0%
Statutory Dedications	10,242,843	8,897,193	1,345,650	13.1%	100.0%
Federal	0	0	0	0.0%	0.0%
<b>FY21 Total</b>	<b>\$ 10,242,843</b>	<b>\$ 8,897,193</b>	<b>\$ 1,345,650</b>	<b>13.1%</b>	<b>100.0%</b>

<i>Historical Total Unspent Budget Authority</i>	Final Budget		Amount Spent	Unspent Authority	Unspent %
	FY20 Total	\$ 9,722,536	\$ 8,720,583	\$ 1,001,953	10.3%
	FY19 Total	9,722,536	8,489,064	1,233,472	12.7%
	FY18 Total	9,770,839	8,366,686	1,404,153	14.4%
	<b>3 Year Avg.</b>	<b>\$ 9,738,637</b>	<b>\$ 8,525,444</b>	<b>\$ 1,213,193</b>	<b>12.5%</b>

# PRIOR YEAR ACTUALS FY 21

## Were projected revenues collected?

	Final Budget <i>(w/o FY22 carryfwd)</i>	Revenue Collections	Difference
SGF	\$ 0	\$ 0	\$ 0
IAT	0	0	0
FSGR	0	0	0
SD	10,242,843	15,232,999	4,990,156
FED	0	0	0
<b>Total</b>	<b>\$ 10,242,843</b>	<b>\$ 15,232,999</b>	<b>\$ 4,990,156</b>

The department collected \$4.9 million more than the FY21 budget.

The large collection over budget authority is attributed to fund deposits via Act 114 of the 2021 R.S. replacing multiple years of prior administration fund sweeps.

## Were collected revenues spent?

	Revenue Collections	Expenditures	Difference
SGF	\$ 0	\$ 0	\$ 0
IAT	0	0	0
FSGR	0	0	0
SD	15,232,999	8,897,193	(6,335,806)
FED	0	0	0
<b>Total</b>	<b>\$ 15,232,999</b>	<b>\$ 8,897,193</b>	<b>\$ (6,335,806)</b>

The department collected \$6.3 million more than was spent in dedicated funds.

The largest driver of this is the Utility and Carrier Inspection and Supervision Fund. Unexpended monies at the end of the fiscal year remain in the fund to be appropriated at a later date.



# EXISTING OPERATING BUDGET FY 22

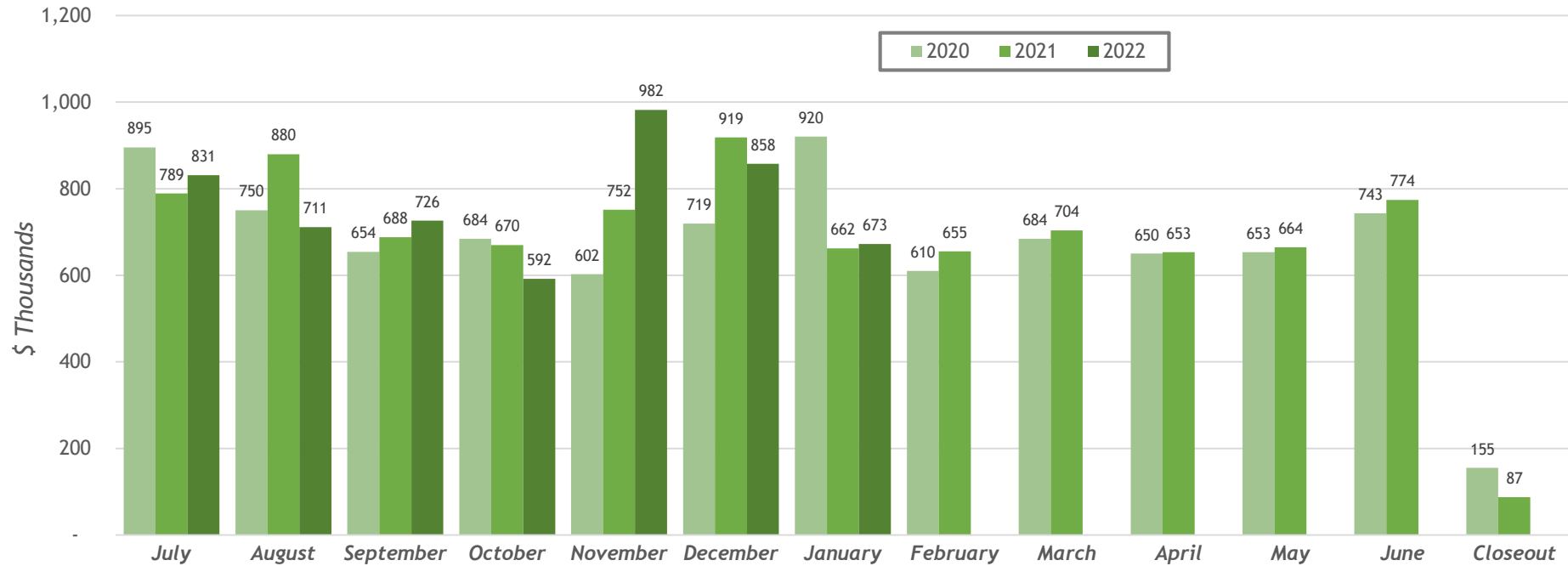
The FY 2021-22 Existing Operating Budget (EOB) was frozen on December 1, 2021. This point-in-time reference is used in both the Executive Budget and the General Appropriations Bill.

Means of Finance	Appropriation	Mid-Year Adjustments	Existing Operating Budget
General Fund	\$ 0	\$ 0	\$ 0
Interagency Transfers	0	0	0
Self-generated Revenue	0	0	0
Statutory Dedications	10,086,226	0	10,086,226
Federal	0	0	0
<b>Total</b>	<b>\$ 10,086,226</b>	<b>\$ 0</b>	<b>\$ 10,086,226</b>

## Budget Adjustments From Appropriation to EOB

July	August	September	October	November
No change	No change	No change	No change	No change

# MONTHLY SPENDING TREND



FYTD 2020	895,298	1,645,280	2,299,385	2,983,462	3,585,885	4,305,267	5,225,463	5,835,253	6,519,117	7,169,021	7,822,175	8,565,459	8,720,583
FYTD 2021	788,748	1,668,552	2,356,729	3,026,407	3,778,044	4,696,585	5,358,776	6,014,065	6,717,953	7,371,258	8,035,650	8,809,901	8,897,188
\$ Change PY	(106,549)	23,273	57,344	42,945	192,160	391,319	133,314	178,813	198,835	202,237	213,475	244,442	176,606
% Change PY	(11.9%)	1.4%	2.5%	1.4%	5.4%	9.1%	2.6%	3.1%	3.1%	2.8%	2.7%	2.9%	2.0%
FYTD 2022	831,351	1,542,256	2,268,488	2,860,335	3,842,540	4,700,052	5,372,569						
\$ Change PY	42,602	(126,296)	(88,241)	(166,073)	64,495	3,467	13,793						
% Change PY	5.4%	(7.6%)	(3.7%)	(5.5%)	1.7%	0.1%	0.3%						

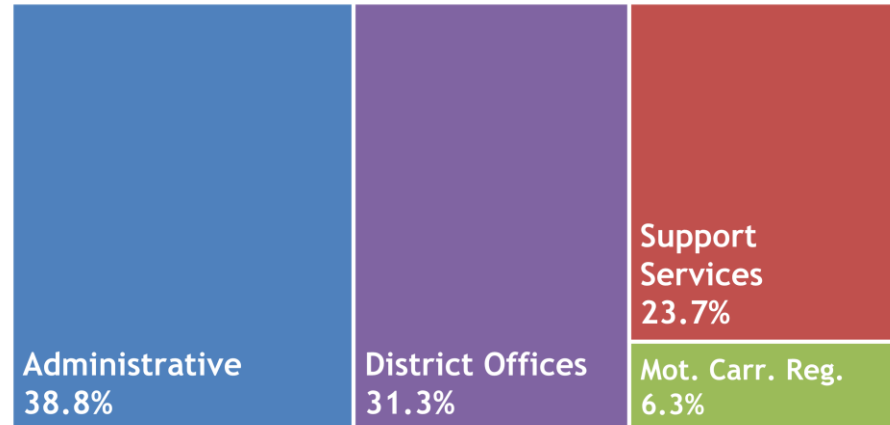
# FUNDING RECOMMENDATION FY 23

## Total Funding = \$10,501,315

Means of Finance		
State General Fund	\$	0
Interagency Transfers		0
Fees & Self-generated		10,501,315
Statutory Dedications		0
Federal Funds		0
<b>Total</b>	<b>\$</b>	<b>10,501,315</b>



Program Funding & Authorized Positions			
		<i>Amount</i>	<i>Positions</i>
Administrative	\$	4,073,445	31
Support Services		2,484,919	21
Motor Carrier Registration		658,814	6
District Offices		3,284,137	37
<b>Total</b>	<b>\$</b>	<b>10,501,315</b>	<b>95</b>



# DEDICATED FUND ACCOUNTS

These are currently considered statutory dedications but are to be reclassified as FSGR dedicated fund accounts, beginning July 1, 2022.

Account Name	Source	Usage	FY 22 - EOB SD	FY 23 - HB1 FSGR
<b>Motor Carrier Regulation Fund Account</b>	(R.S. 45:169.1) - Monies collected by the transportation division of PSC for regulation of the motor carrier industry, intrastate application, registration, permit fees, and fines collected from civil penalties.	Monies in the carrier fund shall be used to defray the cost of regulation of the intrastate motor carrier industry, specifically by the transportation division of the PSC. Monies in the carrier fund shall be available to increase personnel resources and physical support; for regulation of the intrastate motor carrier industry.	\$220,662	\$227,490
<b>Telephonic Solicitation Relief Fund Account</b>	(R.S. 45:844.14) - Fees from solicitors for a copy of the "Do not Call" listing as well as penalties for "Do not Call" violations.	Monies in the fund shall be used solely and exclusively for implementation, administration, and enforcement of the "Do Not Call" listing.	\$228,620	\$231,416
<b>Utility and Carrier Inspection and Supervision Fund Account</b>	(R.S. 45:1177) - Fee for inspection, control, and supervision of the business service and rates of common carriers and public utilities, in addition to any and all property, franchise, license, and other taxes, and fees and charges now or hereafter fixed, assessed, or charged by law against such common carriers and public utilities.	Monies in this fund shall be used solely for the expenses of the operations of the PSC.	\$9,636,944	\$10,042,409
<b>Total</b>			<b>\$10,086,226</b>	<b>\$10,501,315</b>

# FUNDING COMPARISON

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	0	0	0	0	0.0%	0	0.0%
FSGR	0	0	10,501,315	10,501,315	0.0%	10,501,315	0.0%
Stat Ded	8,897,193	10,086,226	0	(10,086,226)	(100.0%)	(8,897,193)	(100.0%)
Federal	0	0	0	0	0.0%	0	0.0%
<b>Total</b>	<b>\$ 8,897,193</b>	<b>\$ 10,086,226</b>	<b>\$ 10,501,315</b>	<b>\$ 415,089</b>	<b>4.1%</b>	<b>\$ 1,604,122</b>	<b>18.0%</b>

## Significant funding changes compared to the FY 22 Existing Operating Budget

### Fees & Self-generated

\$10,501,315 increase due to reclassification of statutory dedications to self-generated dedicated fund accounts, in accordance with Act 114 of the 2021 R.S.

- \$10,042,409 for the Utility and Carrier Inspection and Supervision Dedicated Fund Account
- \$231,416 for the Telephonic Solicitation Relief Dedicated Fund Account
- \$220,662 for the Motor Carrier Regulation Dedicated Fund Account

### Statutory Dedications

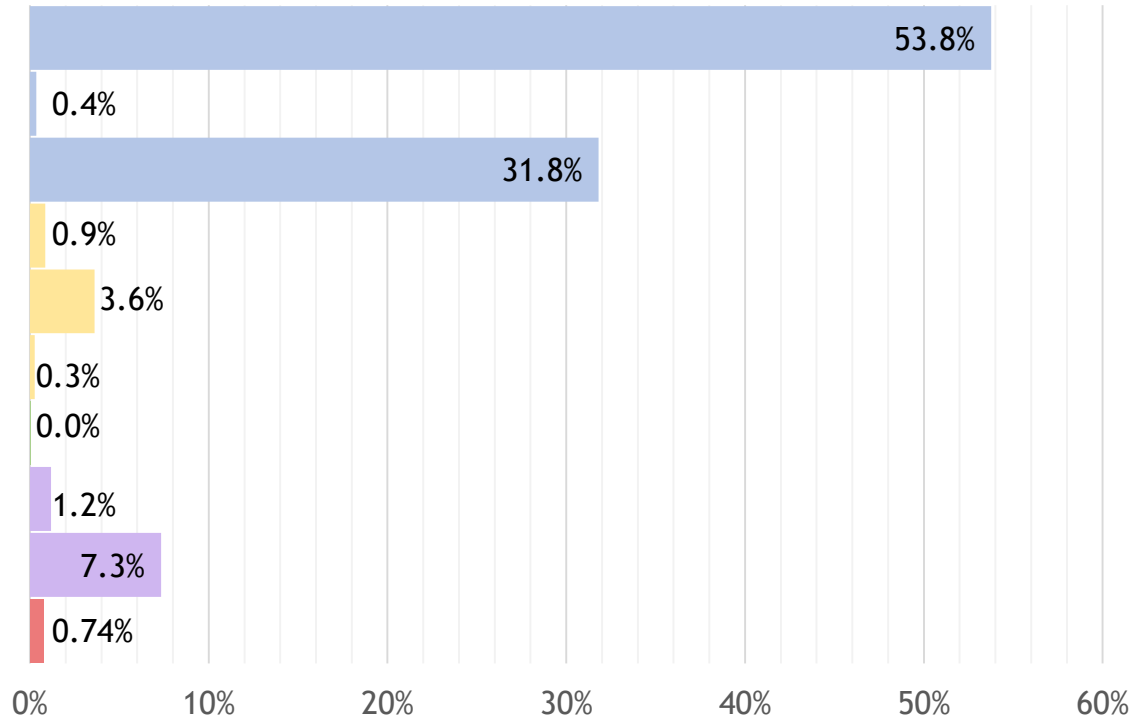
(\$10,086,226) decrease due to reclassification of statutory dedications to self-generated dedicated fund accounts, in accordance with Act 114 of the 2021 R.S.

- (\$9,636,944) from the Utility and Carrier Inspection and Supervision Fund
- (\$228,620) from the Telephonic Solicitation Relief Fund
- (\$220,662) from the Motor Carrier Regulation Fund

# EXPENDITURE RECOMMENDATION FY 23

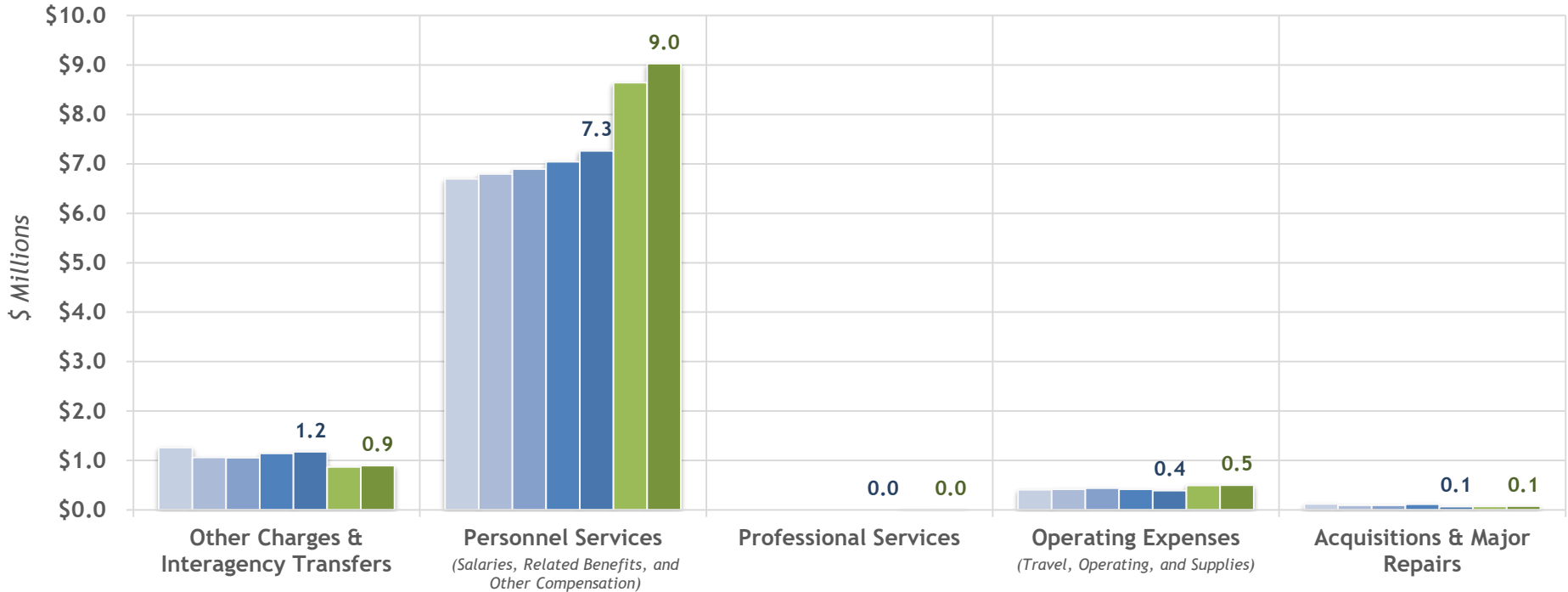
**Total Budget = \$10,501,315**

Expenditure Category		
Salaries	\$5,646,169	
Other Compensation	\$38,000	
Related Benefits	\$3,340,797	
Travel	\$90,868	
Operating Services	\$379,928	
Supplies	\$28,539	
Professional Services	\$5,000	
Other Charges	\$124,250	
Interagency Transfers	\$769,794	
Acquisitions/Repairs	77,970	
<b>Total</b>	<b>\$</b>	<b>10,501,315</b>



# EXPENDITURE HISTORY

Fiscal Year: **Actual Expenditures** 2017 2018 2019 2020 2021 **Budgeted Amount** 2022 EOB 2023 HB1



## 5 Year Average Spending per Expenditure Category

\$1.1 M : 13.3%	\$6.9 M : 80.8%	\$0.0 : 0.0%	\$0.4 M : 4.8%	\$0.1 M : 1.2%
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# EXPENDITURE COMPARISON

Expenditure Category	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
Salaries	\$ 4,580,193	\$ 5,363,384	\$ 5,646,169	\$ 282,785	5.3%	\$ 1,065,976	23.3%
Other Compensation	9,369	38,000	38,000	0	0.0%	28,631	305.6%
Related Benefits	2,674,240	3,243,475	3,340,797	97,322	3.0%	666,557	24.9%
Travel	12,417	90,868	90,868	0	0.0%	78,451	631.8%
Operating Services	362,635	375,351	379,928	4,577	1.2%	17,293	4.8%
Supplies	15,479	28,539	28,539	0	0.0%	13,060	84.4%
Professional Services	0	5,000	5,000	0	0.0%	5,000	0.0%
Other Charges	88,093	121,350	124,250	2,900	2.4%	36,157	41.0%
Interagency Transfers	1,086,746	747,629	769,794	22,165	3.0%	(316,952)	(29.2%)
Acquisitions/Repairs	68,021	72,630	77,970	5,340	7.4%	9,949	14.6%
Total	\$ 8,897,193	\$ 10,086,226	\$ 10,501,315	\$ 415,089	4.1%	\$ 1,604,122	18.0%



# SIGNIFICANT EXPENDITURE CHANGES FY 23

*Compared to the FY 22 Existing Operating Budget*

Personnel Services	Other Charges	Acquisitions/Repairs
<p>\$380,107 net increase due to items such as:</p> <ul style="list-style-type: none"><li>• \$294,856 for the 27<sup>th</sup> pay period</li><li>• \$231,706 for salary increases</li><li>• <b>(\$120,568)</b> for retirement, attrition, and insurance</li><li>• <b>(\$25,887)</b> for related benefits and insurance</li></ul>	<p>\$25,065 net increase due to items such as:</p> <ul style="list-style-type: none"><li>• \$21,518 increase in Galvez Building rent</li><li>• \$9,188 increase in IT-related costs</li><li>• <b>(\$5,641)</b> decrease in interagency transfers</li></ul>	<p>\$5,340 net increase due to items such as:</p> <ul style="list-style-type: none"><li>• \$48,730 for technology-related acquisitions and replacements such as computers, scanners, software, and law library updates</li><li>• \$29,240 for a Chevrolet Malibu acquisition, replacing a 2008 Dodge Charger</li><li>• <b>(\$72,630)</b> for one-time purchases in the current year</li></ul>

# OTHER CHARGES/INTERAGENCY TRANSFERS

## Other Charges

Amount	Description
\$ 37,700	Do not call list maintenance and enforcement
35,000	Power outage mapping contract
25,000	Valance case management
19,800	Commission meeting broadcasts for the general public
6,500	Equipment replacement by Transformix CISCO
250	Shredding services
<b>\$ 124,250</b>	<b>Total Other Charges</b>

## Interagency Transfers

Amount	Description
\$ 427,186	Rent in State-owned Buildings
177,919	Office of Technology Services - telephone, data, postage, mail, and e-mail services
45,511	Risk Management
40,385	Capitol Park Security
34,719	Legislative Auditor Fees
26,543	Civil Service
11,500	DEQ - East Baton Rouge Parish Sheriff's Office for security cost allocation
4,352	Uniform Payroll System
1,679	Office of State Procurement
<b>\$ 769,794</b>	<b>Total Interagency Transfers</b>

# DISCRETIONARY EXPENSES FY 23

**Total Budget  
\$10.5 Million**

**Self-generated  
Revenue  
\$10.5 Million**

**Non-discretionary  
\$3.1 M**

**Discretionary  
\$7.4 M**

Unfunded Accrued Liability  
**\$1,872,552**  
Salary and Related Benefits of  
Public Service Commissioners  
**\$357,339**  
Rent in State-owned Buildings  
**\$427,186**  
Retirees' Group Insurance  
**\$385,000**  
Legislative Auditor Fees  
**\$34,719**

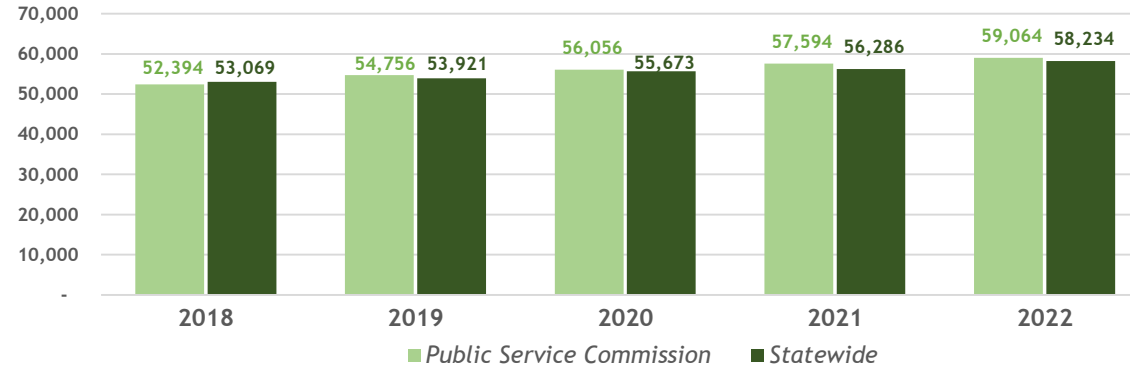
Administrative Program  
**\$2.9 M**  
Support Services Program  
**\$1.7 M**  
Motor Carrier Registration  
Program  
**\$467,321**  
District Offices Program  
**\$2.3 M**

# PERSONNEL INFORMATION

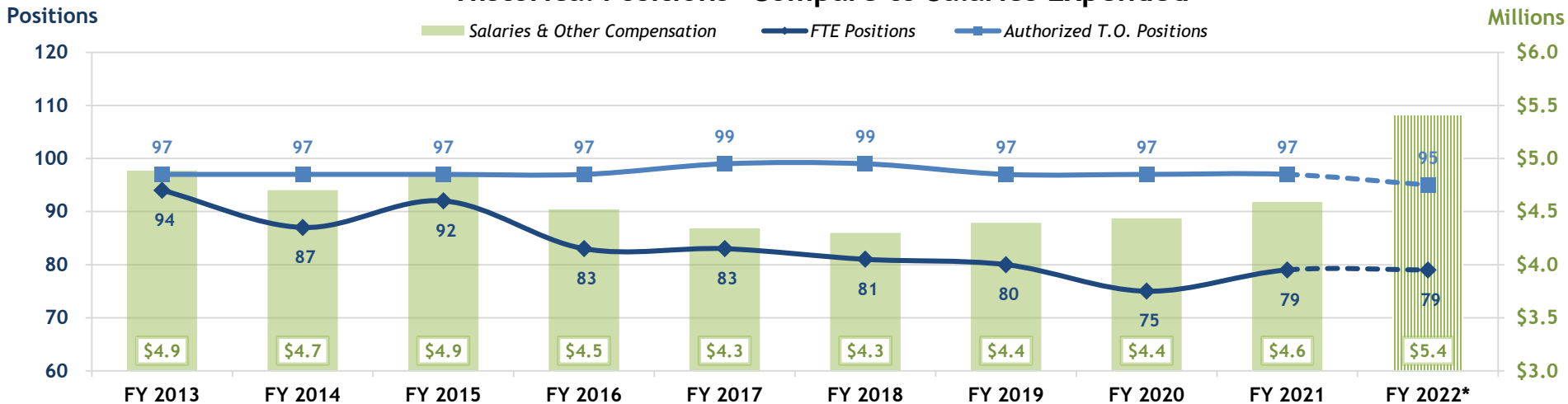
## FY 2023 Recommended Positions

95	Total Authorized T.O. Positions (77 Classified, 18 Unclassified)
0	Authorized Other Charges Positions
1	Non-T.O. FTE Positions
16	Vacant Positions (January 3, 2022)

## Historical Average Salary



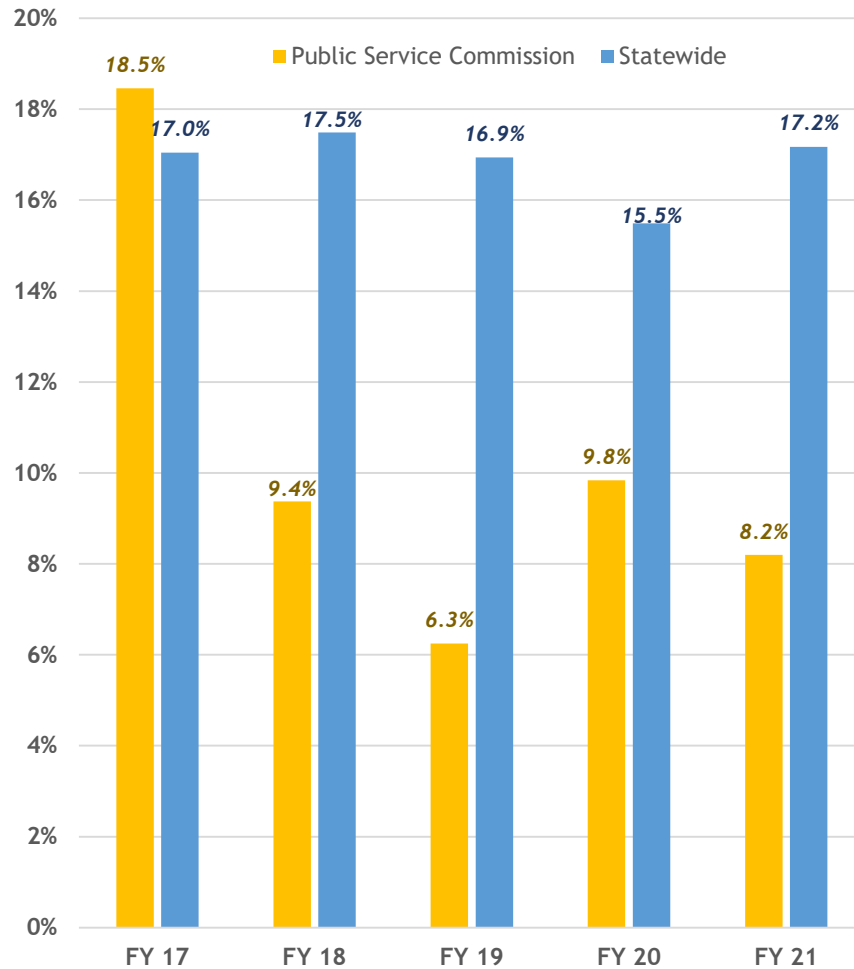
## Historical Positions<sup>1</sup> Compare to Salaries Expended



<sup>1</sup> FTE Source: Dept. of Civil Service Weekly Report on State Employment

\* Existing Operating Budget on 12/1/21

# TURNOVER HISTORY

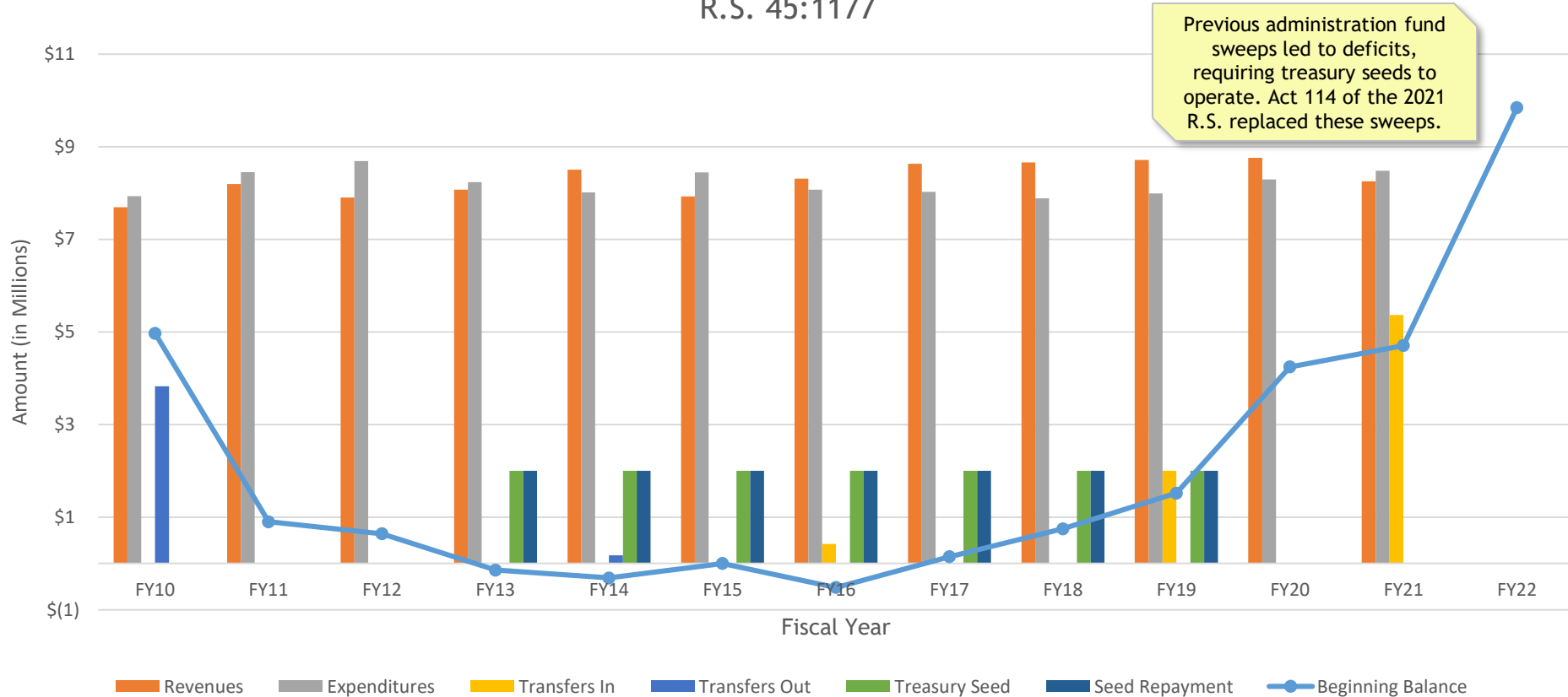


## Top Positions Vacated FY 2021

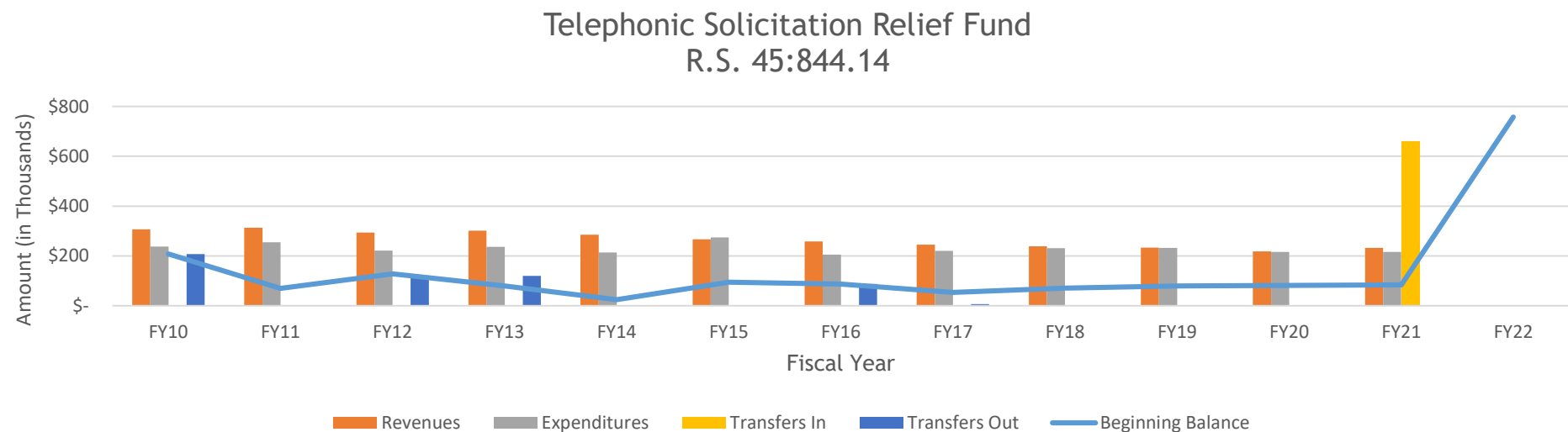
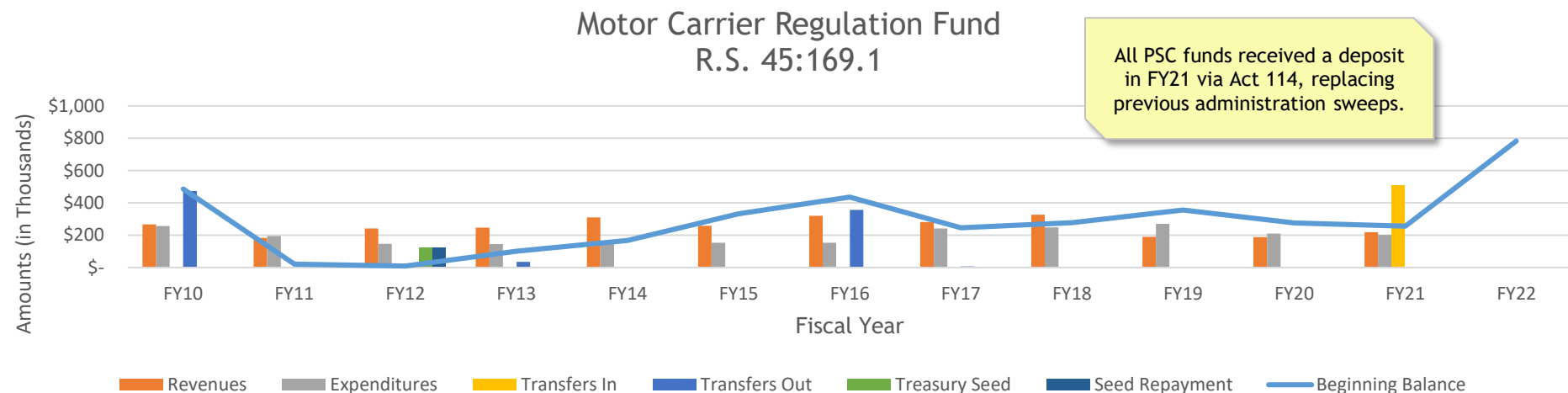
Position	Number of Employees	Separations	Turnover Rate
Enforcement Agent 1	4	2	50.00%
Attorney 3	2	1	50.00%
Enforcement Agent 3	3	1	33.33%

# UTILITY & CARRIER INSPECTION & SUPERVISION FUND

## Utility & Carrier Inspection & Supervision Fund R.S. 45:1177



# MOTOR CARRIER REGULATION FUND & TELEPHONIC SOLICITATION RELIEF FUND



Source: State Treasury

# DO NOT CALL PROGRAM

Established on January 1, 2002, the Do Not Call Program is a list, updated and maintained by the Public Service Commission, of residential telephone subscribers who do not wish to receive telephone solicitations. Business numbers may not be registered in the program.

Any business wishing to engage in telephone solicitation of residential subscribers within the state of Louisiana is required by law (R.S. 45:844.14) to purchase a copy of the customer register.

## Program Notes:

- The range for fines is \$500 to \$10,000
- The program is free to all Louisiana residential landline telephone customers
- The collection of registration fees and fines support the program



# DO NOT CALL PROGRAM

DO NOT CALL	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
Residents Registered Statewide	3,100,346	3,154,224	3,228,617	3,300,629	3,333,419	3,361,626
Solicitors Registered	1,716	1,878	1,615	1,672	1,471	2,118
Solicitor Registration Fee Collections	\$254,400	\$242,700	\$236,400	\$231,700	\$217,000	\$232,301
Solicitor Fines Collected	\$3,000	\$1,500	\$1,500	\$0	\$0	\$0

According to the Commission, a decrease in fines is due to the success of the “Do Not Call” Program.

# DEPARTMENT CONTACTS



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**Brandon Frey**

*Executive Secretary*

brandon.frey@la.gov

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**Johnny Snellgrove**

*Deputy Undersecretary*

johnny.snellgrove@la.gov

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**Colby Cook**

*Legislative Liaison/Press Secretary*

colby.cook@mail.la.gov

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# DEPARTMENT OVERVIEW

## Administrative

### Executive

Coordinates all of the operations in the department

### General Counsel

Responsible for the legal matters of the department

### Management and Finance

Responsible for providing various services for the rest of the department, including accounting, and information technology

### Do Not Call Program

Maintains a list of residential phone numbers that registered businesses cannot call when soliciting in the state

## Support Services

### Administrative Hearings Division

Conducts public hearings on issues pertaining to the Public Service Commission's jurisdiction, which includes the rates and services of public utilities and motor carriers

### Utilities Division

- Responsible for the maintenance of all of the rates in regulated utilities
- Audits regulated utility companies, overall results of operations, the rate base, and rates of return on equity and capital, upon which consumer rates are based



# DEPARTMENT OVERVIEW

## Motor Carrier Registration

### Administrative Division

Processes all of the paperwork necessary for companies to legally engage in transportation services within the state

### Enforcement Division

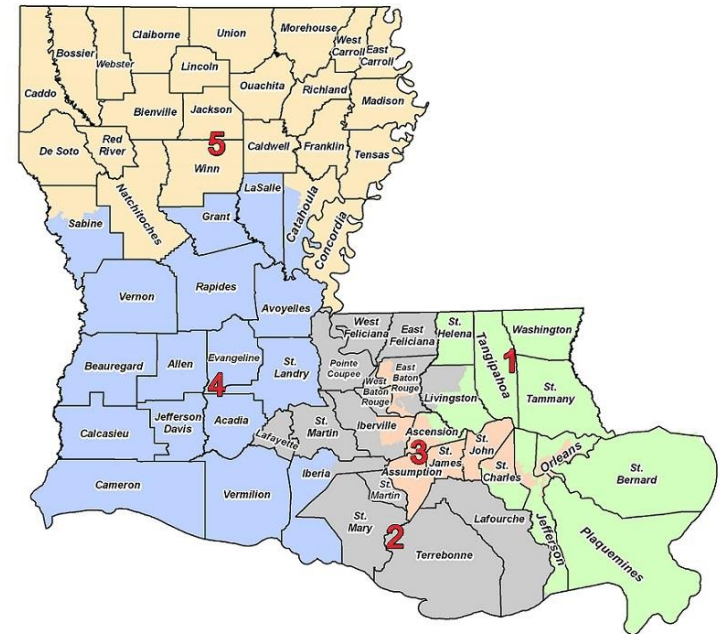
Ensures compliance in regards to the rules and regulations for motor carriers operating in the state

## District Offices

Made up of each elected commissioner and their staff within their respective district

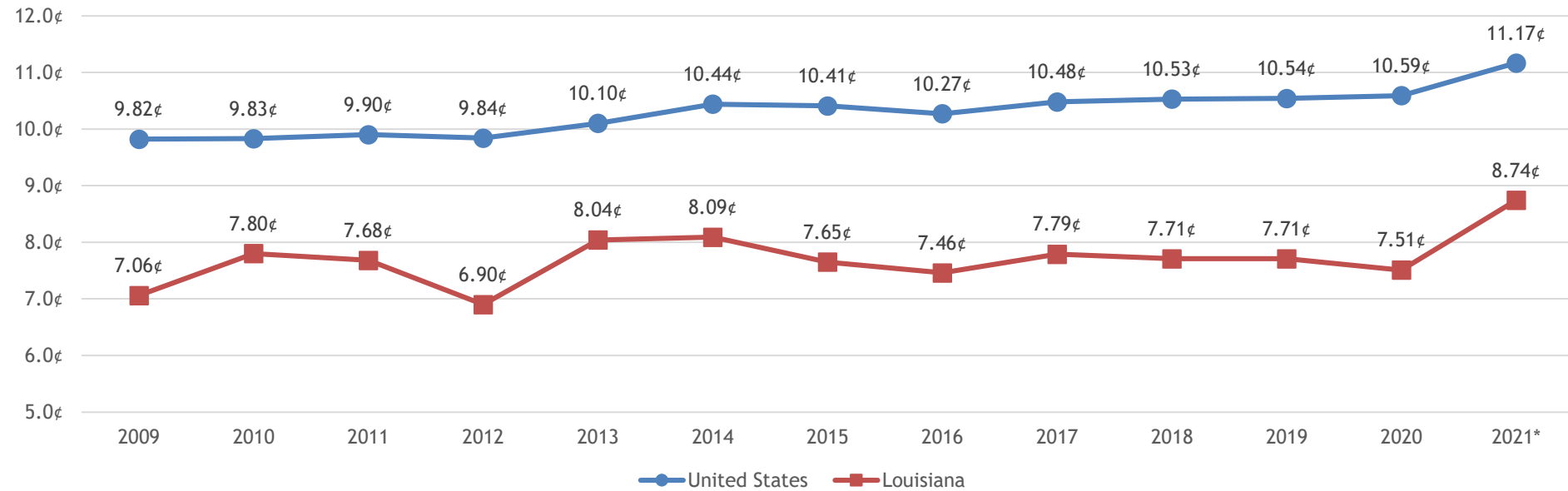
### Commissioners include:

- District 1 - Eric Skrmetta
- District 2 - Craig Greene
- District 3 - Lambert C. Boissiere, III
- District 4 - Mike Francis
- District 5 - Foster L. Campbell



# ELECTRICITY RATES IN LOUISIANA

Electricity Rates  
Cents per Kilowatt Hour



Louisiana has the sixth lowest electricity rate in the country.

\*Full year data not yet released. The rate is as of October 2021.  
Does not include potential increases 2022 and beyond due to Hurricane rate changes.